

106TH CONGRESS
2D SESSION

S. 2818

To amend the Agricultural Market Transition Act to establish a flexible fallow program under which a producer may idle a portion of the total planted acreage of the loan commodities of the producer in exchange for higher loan rates for marketing assistance loans on the remaining acreage of the producer.

IN THE SENATE OF THE UNITED STATES

JUNE 29, 2000

Mr. JOHNSON introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Agricultural Market Transition Act to establish a flexible fallow program under which a producer may idle a portion of the total planted acreage of the loan commodities of the producer in exchange for higher loan rates for marketing assistance loans on the remaining acreage of the producer.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Food Security and
5 Land Stewardship Act of 2000”.

1 **SEC. 2. FLEXIBLE FALLOW PROGRAM.**

2 (a) IN GENERAL.—Section 132 of the Agricultural
3 Market Transition Act (7 U.S.C. 7232) is amended by
4 adding at the end the following:

5 “(g) FLEXIBLE FALLOW PROGRAM.—

6 “(1) DEFINITION OF TOTAL PLANTED ACRE-
7 AGE.—In this subsection, the term ‘total planted
8 acreage’ means the cropland acreage of a producer
9 that for the 1999 crop year was—

10 “(A) planted to a loan commodity;

11 “(B) prevented from being planted to a
12 loan commodity; or

13 “(C) fallow as part of a fallow rotation
14 practice with respect to a loan commodity, as
15 determined by the Secretary.

16 “(2) AUTHORITY.—In lieu of receiving a loan
17 rate under subsections (a) through (f), a producer,
18 with respect to production eligible for a loan under
19 section 131, may elect to participate in a flexible fal-
20 low program for any of the 2001 or 2002 crops
21 under which annually—

22 “(A) the producer determines which acres
23 of the total planted acreage are assigned to a
24 specific loan commodity;

25 “(B) the producer determines—

1 “(i) the projected percentage reduc-
 2 tion rate of production of the specific loan
 3 commodity based on the acreage assigned
 4 to the loan commodity under subparagraph
 5 (A); and

6 “(ii) the acreage of the total planted
 7 acreage of the producer to be set aside
 8 under clause (i), regardless of whether the
 9 acreage is on the same farm as the acreage
 10 planted to the specific loan commodity;

11 “(C) based on the projected percentage re-
 12 duction rate of production as a result of the
 13 acreage set aside under subparagraph (B), the
 14 producer receives the loan rate for each loan
 15 commodity produced by the producer, as deter-
 16 mined under paragraph (3); and

17 “(D) the acreage planted to loan commod-
 18 ities for harvest and set aside under this sub-
 19 section is limited to the total planted acreage of
 20 the producer.

21 “(3) LOAN RATES.—

22 “(A) IN GENERAL.—Subject to subpara-
 23 graphs (B) and (C), in the case of a producer
 24 of a loan commodity that elects to participate
 25 in the flexible fallow program under this sub-

1 section, the loan rate for a marketing assistance
 2 loan under section 131 for a crop of the loan
 3 commodity shall be based on the projected per-
 4 centage reduction rate of production determined
 5 by the producer under paragraph (2)(B), in ac-
 6 cordance with the following table:

“Pro- jected Per- centage Reduc- tion Rate	Corn Loan Rate (\$/bush- el)	Wheat Loan Rate (\$/bushel)	Soybean Loan Rate (\$/bushel)	Upland Cotton Loan Rate (\$/pound)	Rice Loan Rate (\$/hun- dred- weight)
0%	1.89	2.75	4.72	0.5192	6.50
1%	1.91	2.78	4.77	0.5268	6.60
2%	1.93	2.81	4.81	0.5344	6.70
3%	1.95	2.83	4.86	0.5420	6.80
4%	1.97	2.86	4.91	0.5496	6.90
5%	1.99	2.89	4.96	0.5572	7.00
6%	2.01	2.92	5.01	0.5648	7.10
7%	2.03	2.95	5.06	0.5724	7.20
8%	2.05	2.98	5.11	0.5800	7.30
9%	2.07	3.01	5.16	0.5876	7.40
10%	2.09	3.04	5.21	0.5952	7.50
11%	2.12	3.08	5.29	0.6028	7.60
12%	2.15	3.13	5.36	0.6104	7.70
13%	2.18	3.17	5.43	0.6180	7.80
14%	2.21	3.22	5.51	0.6256	7.90
15%	2.24	3.27	5.58	0.6332	8.00
16%	2.28	3.31	5.65	0.6408	8.10
17%	2.31	3.36	5.73	0.6484	8.20
18%	2.34	3.41	5.81	0.6560	8.30
19%	2.37	3.46	5.88	0.6636	8.40
20%	2.41	3.51	5.96	0.6712	8.50
21%	2.44	3.55	6.04	0.6788	8.60
22%	2.47	3.60	6.12	0.6864	8.70
23%	2.51	3.65	6.19	0.6940	8.80
24%	2.54	3.70	6.27	0.7016	8.90
25%	2.57	3.75	6.35	0.7092	9.00
26%	2.61	3.80	6.43	0.7168	9.10
27%	2.64	3.85	6.51	0.7244	9.20
28%	2.68	3.90	6.60	0.7320	9.30
29%	2.71	3.95	6.68	0.7396	9.40
30%	2.75	4.01	6.76	0.7472	9.50.

7 “(B) COUNTY AVERAGE YIELDS.—

1 “(i) IN GENERAL.—The loan rate for
2 a marketing assistance loan made to a pro-
3 ducer for a crop of a loan commodity
4 under subparagraph (A) shall apply with
5 respect to the production of the crop of the
6 loan commodity by the producer in a quan-
7 tity that does not exceed the historical
8 county average yield for the loan com-
9 modity established by the National Agri-
10 cultural Statistics Service, adjusted for
11 long-term yield trends.

12 “(ii) EXCESS PRODUCTION.—The loan
13 rate for a marketing assistance loan made
14 to a producer for a crop of a loan com-
15 modity under subparagraph (A) with re-
16 spect to the production of the crop of the
17 loan commodity in excess of the historical
18 county average yield for the loan com-
19 modity described in clause (i) shall be
20 equal to the loan rate established for a 0%
21 projected percentage reduction rate for the
22 loan commodity under subparagraph (A).

23 “(iii) DISASTERS.—

24 “(I) IN GENERAL.—If the pro-
25 duction of a crop of a loan commodity

1 by a producer is less than the histor-
 2 ical county average yield for the loan
 3 commodity described in clause (i) as
 4 a result of damaging weather, an in-
 5 surable peril, or related condition, the
 6 producer may receive a payment on
 7 the lost production that shall equal
 8 the difference between—

9 “(aa) the maximum quantity
 10 of loan commodity that could
 11 have been designated for the loan
 12 rate authorized under this sub-
 13 section for the producer; and

14 “(bb) the quantity of loan
 15 commodity the producer was able
 16 to produce and commercially
 17 market.

18 “(II) CALCULATION OF PAY-
 19 MENT.—The payment described in
 20 subclause (I) shall be equal to the
 21 loan deficiency payment the producer
 22 could have received on the lost pro-
 23 duction on any date, selected by the
 24 producer, on which a loan deficiency

1 payment was available for that crop of
2 the loan commodity.

3 “(C) OTHER LOAN COMMODITIES.—In the
4 case of a producer of a loan commodity not cov-
5 ered by subparagraphs (A) and (B) that elects
6 to participate in the flexible fallow program
7 under this subsection, the loan rate for a mar-
8 keting assistance loan under section 131 for the
9 crop of the loan commodity shall be based on—

10 “(i) in the case of grain sorghum, bar-
11 ley, and oats, such level as the Secretary
12 determines is fair and reasonable in rela-
13 tion to the rate that loans are made avail-
14 able for corn, taking into consideration the
15 feeding value of the commodity in relation
16 to corn;

17 “(ii) in the case of extra long staple
18 cotton, such level as the Secretary deter-
19 mines is fair and reasonable; and

20 “(iii) in the case of oilseeds other than
21 soybeans, such level as the Secretary deter-
22 mines is fair and reasonable in relation to
23 the loan rate available for soybeans, except
24 that the rate for the oilseeds (other than
25 cottonseed) shall not be less than the rate

1 established for soybeans on a per-pound
2 basis for the same crop.

3 “(4) CONSERVATION USES.—

4 “(A) IN GENERAL.—Subject to subpara-
5 graph (B), to be eligible for a loan rate under
6 this subsection, a producer shall devote all acre-
7 age set aside under this section to an annual
8 conservation use approved by the Secretary.

9 “(B) OTHER CONTRACTS.—A producer
10 may enter into a contract that requires
11 multiyear conservation uses of the set aside
12 acreage approved by the Secretary, including
13 carbon sequestration and recreational uses.

14 “(5) CERTIFICATION.—To be eligible to partici-
15 pate in the flexible fallow program for the 2001 or
16 2002 crops, a producer shall certify to the Secretary
17 (by farm serial number) the total planted acreage
18 assigned, planted, and set aside with respect to each
19 loan commodity.”.

20 (b) CONFORMING AMENDMENTS.—Section 132 of the
21 Agricultural Market Transition Act (7 U.S.C. 7232) is
22 amended—

23 (1) in subsection (a)(1)(B), by striking “\$2.58”
24 and inserting “\$2.75”; and

1 (2) in subsection (f)(1), by striking subpara-
2 graph (B) and inserting the following:

3 “(B) not more than \$4.72 per bushel.”.

4 (c) CROPS.—This section and the amendments made
5 by this section shall apply to each of the 2001 and 2002
6 crops of a loan commodity (as defined in section 102 of
7 the Agricultural Market Transition Act (7 U.S.C. 7202)).

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